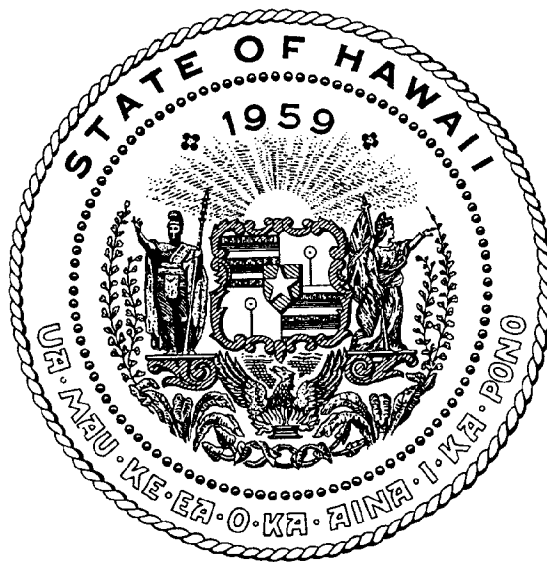


PACIFIC ISLANDS REGIONAL PANEL



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**COASTAL STATES ORGANIZATION
GOVERNING BOARD ANNUAL MEETING
OCTOBER 28 - 29, 1991**

INTRODUCTION TO HAWAII

The Hawaiian Islands are the most isolated archipelago in the world, stretching over 1500 miles near the center of the Pacific Ocean. While the State comprises 132 islands, reefs and shoals, the islands of Hawaii (the "Big Island"), Maui, Oahu, Kauai, Molokai, Lanai, Niihau and Kahoolawe make up over 99% of the State's total land area of 6,425 square miles and most of its 750 miles of coastline. The islands are part of a submerged volcanic mountain range. A number of large peaks at the highest part of the range protrude above sea level and constitute the eight major Hawaiian islands. Even the lowest island, Niihau, rises over 13,000 ft. above its base on the ocean floor. Mauna Kea, the highest peak in the Hawaiian range, stands nearly 14,000 ft. above sea level (almost 30,600 ft. above its underwater base).

All the islands in the archipelago were formed successively, starting with the northwest islands and progressing southeast to Hawaii. Kauai, approximately 3 million years old, is the oldest of the major islands, displaying advanced erosion of its mountain ranges, extensive fringing coral reef development offshore, and numerous sandy beaches along the coast. At the southeastern end of the chain is the island of Hawaii, still growing as a result of volcanic activity, with gently sloping peaks, poorly developed coral reefs and few sandy beaches.

Physical features of the islands fall between these extremes. Waves have cut steep cliffs, such as on the Napali coast of Kauai (300-2000 ft.) and the north side of East Molokai (2000-3000 ft.). Streams have cut valleys and canyons, the deepest being Waimea Canyon on Kauai (2600 ft.). As a result of volcanic activity, much of the Big Island is underlaid with an intricate network of lava tubes that extend from the mountain tops to the shoreline. Anchialine pools are another unique feature to Hawaii. These naturally-formed brackish-water pools have no direct channel to the ocean but experience the tidal fluxes through the surrounding porous lava rock.

Almost one-half of Hawaii's total land area is within five miles of the shoreline and most development is found in this area. There is no point in Hawaii more than 29 miles from the ocean. This is especially significant given the risk of devastating tsunamis, hurricanes and coastal flooding. Because of its location, Hawaii is vulnerable to these events, whether they originate locally or thousands of miles across the ocean. For example, the 1964 Alaska earthquake triggered a tsunami that resulted in many deaths and substantial property damage in Hawaii.

Hawaii's subtropical climate has a normal annual temperature of 77 degrees and average annual rainfall of 73 inches. Rainfall varies dramatically by specific location: Kawaihae (Hawaii) has the lowest average annual rainfall with 8.7 inches, while Waialeale (Kauai) has the highest with over 450 inches. Even in areas of high rainfall, however, few streams carry water throughout the year; this is because of the small area of the watersheds and the porous nature of volcanic rocks. This porosity means that point sources of pollution quickly become nonpoint sources as water and other substances percolate through rock and soil. On the Big Island, lava tubes may even act as conduits for pollution sources. Additionally, all ten soil types are found in Hawaii.

Hawaii began as a barren volcanic landscape. Over time, the variability in rainfall, soils and topography created an incredible diversity of microclimates and habitats within the State, which span from desert to alpine and lush rainforest to lowland scrub forest. Hawaii's geographic isolation resulted in the evolution of endemic flora and fauna. This range of natural environments and unique species contributes to a rich assemblage of valuable marine and terrestrial ecosystems. Unfortunately, some of these plant and animal species were not well-adapted to compete with the host of species introduced by humans; as a result, Hawaii has lost more native species to extinction than any other state.

Sometime within the last one thousand years, Polynesian voyagers discovered and settled the Hawaiian Islands. A complex Native Hawaiian culture developed with social, economic and religious ties to both the land and water resources. The primary land division, the *ahupuaa*, was normally a pie-shaped wedge of an island that ran from the mountain top down through the valleys and plains, and out into the ocean. The *ahupuaa* provided the full spectrum of natural resources for the Native Hawaiian population. In 1778, Captain Cook was the first known Westerner to visit the islands. Since then, Hawaii has become home to a growing population of ethnic groups from around the Pacific Rim and beyond. Even after the traditional land tenure system was altered following contact with Europeans, the consciousness of the land and water interdependence has continued.

In 1959, Hawaii officially became the Fiftieth State. The government of the State is similar in form and structure to the governments of the other 49 states. However, the government of Hawaii is more centralized than that of other states. Hawaii has only a county level of local government, consisting of four separate counties composed of either entire islands or several islands. Under the State Constitution each functions within the framework of a locally adopted "home rule" charter.

In 1990, Hawaii's resident population was just over 1.1 million. Approximately 80% of these people live on Oahu. The composition of State residents is diverse: Caucasians account for 24%, Japanese 23% and mixed race, primarily part-Hawaiian, 31%. Other ethnic groups include Filipinos, Chinese, Blacks, Koreans, Puerto Ricans, Samoans, Thais, Vietnamese and Cambodians.

Ownership of usable land in Hawaii is highly concentrated. The State, county and federal governments together are the biggest landowners, controlling about 38% of the total land area, four-fifths of which belongs to the State. Of the remaining privately-held land, six large owners account for 33.6%, or 22.6% of the total area of the State!

Since 1970, tourism has been the mainstay of Hawaii's economy. In 1989, over 6.5 million tourists visited Hawaii, accounting for \$10.9 billion in annual expenditures, or approximately 40% of the gross state product. Because of its location, Hawaii attracts both mainland, or westbound, visitors and Asian, or eastbound, visitors. Currently, the State is experiencing a boom economy, with unemployment under 3%.

Tourism in Hawaii is heavily dependent on the high quality natural and scenic features of the islands. Most tourist attractions, such as fishing, boating, SCUBA diving, swimming, surfing, hotels and resorts, are either totally dependent on or greatly enhanced by coastal locations. Hawaii's residents are also drawn to the coast for recreational and economic opportunities, such as fishing, swimming, picnicking, camping and paddling. Given the pleasant climate, most of these recreational activities take place yearround.

Decisions about the appropriate locations for future development and uses have important implications both for the current economic health of the State and for the long-term attractiveness of the islands as a place to live and visit. Understanding coastal zone management within the context of Hawaii's unique natural and social environments is important. In Hawaii, the coastal zone extends from the seaward limit of the State's jurisdiction across the entire land area of the State, with the exception of the State forest reserves and some federal lands. While coastal programs in other states manage areas ranging from coastal watersheds to a coastal strip less than a mile wide, coastal zone management in Hawaii translates, in essence, to island ecosystem management. Coordinating and guiding the complex network necessary for the successful management of Hawaii's diverse resources require sufficient flexibility and foresight to ensure a balance between preservation and development of these unique coastal and marine environments.

EXCLUSIVE ECONOMIC ZONE

In 1983, President Reagan proclaimed the 200-mile exclusive economic zone (EEZ), guaranteeing that ocean resources, even at great distances from land, could be developed for the economic benefit of our nation. The proclamation also led coastal states, commonwealths, and territories to reassess the interrelationship of the ocean with their economic and environmental interests.

Hawaii has been at the nation's forefront in ocean policy planning. We have addressed, and will continue to address, ocean resources management in our State Constitution, in our statutes, and in our administrative actions.

In 1988, the State's voters approved an amendment to the State Constitution declaring that the State of Hawaii:

...asserts and reserves its rights and interests in its exclusive economic zone for the purposes of exploring, conserving and managing natural resources both living and non-living, of the seabed and subsoil, and superadjacent waters.

This statement is the underlying principle of our State's ocean management policies. These policies are also based upon our belief that ocean currents and natural processes know no boundaries. What occurs at some distance from our shores may have eventual impact on State land and water resources. And, beyond the more obvious environmental and cultural interrelationships, existing and future EEZ activities do indeed have the potential to significantly affect our State's economy. When taken together, all of these factors lend legitimacy to our assertions for a proper role for the states, along with the Federal government, in managing our nation's EEZ.

We have put our philosophical notions of shared management into practice in a number of ways. First, we have supported, and in some cases initiated, policy positions of the Pacific Basin Development Council, Western and National Governors' Associations and Coastal States Organization in advocating joint State/Federal efforts. Under the leadership of Governor John

Waihee, Hawaii will continue to bring the coastal states' interests to the attention of fellow governors and Congress through these organizations.

Second, in December 1988, Governor Waihee signed a cooperative agreement with the Department of the Interior to establish a joint planning process for marine mineral mining in the EEZ surrounding Hawaii. (See attachment.) We continue to support these types of resource-related or regional working groups and have found them to be most helpful in achieving sound planning and state-oriented management practices.

Third, Hawaii continues to play an active role in established joint management commissions and organizations such as the Western Pacific Regional Fishery Management Council (WESPAC). The Council, currently chaired by the Director of Hawaii's Department of Land and Natural Resources, is leading efforts to deal with the difficult issues of drift nets, long-line fishing, fisheries management and resource protection. The first action on a large scale to ban drift gillnetting, for example, was initiated in 1987 by WESPAC for the EEZs surrounding the American Flag Pacific Islands. The Council has given us yet another model for fostering joint resource management.

Fourth, the Hawaii State Legislature passed the Ocean Resources Management Act in 1988, which mandated the integration of Hawaii's various ocean management programs under a single policy framework. The law charged an Ocean Resources Management Council to prepare an Ocean Resources Management Plan. The Plan, which was completed and submitted to the 1991 Hawaii State Legislature, calls for better ocean policy integration, operational coordination, and leadership in State government. We believe that coastal states, commonwealths and territories must continue demonstrating leadership qualities if they are to assume greater roles in ocean management.

Finally, we have been working with the governments of American Samoa, the Northern Mariana Islands and Guam through the Pacific Basin Development Council (PBDC) to develop regional ocean resources management policies and positions. These "American Flag Pacific Islands" have held annual Coastal Zone Management conferences since 1982. These and other ocean-

related meetings now attract representatives of other Pacific islands and serve as important policy planning forums. The recent establishment of PBDC's Regional Ocean, CZM, and EEZ Management Program (ROCEMP) was a natural outcome of these cooperative efforts.

Full partnership can mean the states benefit from the use of public ocean resources. Whether this is measured in economic benefits to a community, tax revenues from business, or protection for environmentally-sensitive resources, there is a legitimate role for states, commonwealths, and territories in ensuring those benefits. Without sharing in such benefits, states will have difficulty exercising an enhanced role of public stewardship for the common property resources found in our nation's oceans.

What we need, of course, is Congressional action to institute equitable and fair treatment for states, commonwealths, and territories in managing their ocean resources. There should be nothing but a shared management regime for our nation's oceans. As always, the operative question is whether or not Congress is willing to act. While awaiting the answer to the question, Hawaii will continue to urge the Coastal States Organization, the National and Western Governors' Associations, the Pacific Basin Development Council and others to maintain their leadership role by taking advantage of or creating "windows of opportunity."

THE TERRITORIAL SEA

While the EEZ broadened the state's interests in ocean-related planning and management, the 1988 Presidential extension of the territorial sea from 3 to 12 miles focused attention on the more fundamental issues of jurisdiction and governance. Hawaii, as with other states, seized the opportunity to respond to this presidential action by calling for Congressional clarification of the proclamation's jurisdictional effect. The State also took steps to pursue its own legislative and administrative policy initiatives.

First, the Western Governors' Association highlighted the fundamental issues involving the division of jurisdiction and the domestic implications of the proclamation. Many questions of a legal nature or involving state interest and competence were raised by the President's action. The Western Governors' Association concluded in their 1989 policy resolution that these issues could best be addressed by a Congressionally-mandated commission. Hawaii supports this position as an alternative to the establishment of a non-federal task force as described below.

Second, Hawaii has supported the Pacific Basin Development Council, Coastal States Organization, Western Governors' Association and Western Legislative Conference in their efforts to survey their memberships and advocate state-oriented positions on these issues.

Third, Hawaii's State Legislature in 1990 amended the definition of "state marine waters" in statutes to clearly indicate Hawaii's relationship to the newly-extended territorial sea. State marine waters are now defined as extending from the upper reaches of the wash of the waves "...seaward to the limit of the State's police power and management authority, including the U.S. territorial sea, notwithstanding any law to the contrary."

Fourth, Hawaii has consistently taken positions on proposed Congressional action to address the EEZ and the territorial sea. We have:

- opposed the Shumway bill and its "status quo" position that coastal state interest ends at 3 miles;
- supported the Lowry bill, particularly since it would establish a National

Oceans Policy Commission;

- supported amendments to the Coastal Zone Management Act to extend the management program to include the broadened territorial sea as the "wet side" of the coastal zone; and
- supported the introduction of Walter Jones' proposed legislation on the territorial sea with some suggested strengthening regarding the governance issue.

Finally, in conjunction with a number of organizations, we have sponsored workshops on the EEZ and the territorial sea. We also commissioned the preparation of six legal/policy studies on the domestic implications of the recent extension of the U.S. territorial sea. From the 1987 gathering of American Flag Pacific Island Coastal Zone Management Program representatives and federal resource leaders in Honolulu to the 1991 William S. Richardson School of Law policy workshop on the territorial sea and the June 1991 Oregon Territorial Sea Symposium, Hawaii has played a key role in fostering discussion and dialogue on these important issues of mutual concern.

Recommendations for Action

Support a flexible approach to ocean management whether it be within the entire EEZ or the 3-12 mile extended territorial sea.

Different states have different levels of interest in managing their ocean resources. The coastal states should be allowed to choose among various options. In this regard, we will continue to support the exclusive jurisdiction claims of island territories and commonwealths to unilaterally manage their EEZs. Such claims, of course, are subject to federal foreign affairs and national defense obligations, as well as a trust obligation on the part of these islands toward the citizens of the nation as a whole. The National Governors' Association recently amended its policy on ocean, coastal and Great Lakes protection to recognize the inherent jurisdictional rights and responsibilities of American Samoa and Guam, as well as the Commonwealth of the Northern Mariana Islands, pertaining to the conservation, exploration and development of the resources in their exclusive economic zones.

The Coastal States Organization and the Western Governors' Association should promote Congressional action to recognize extended state, commonwealth and territorial jurisdiction over ocean resources.

Over the past several years, the Western Legislative Conference, Western Governors' Association, Pacific Basin Development Council, Coastal States Organization, National Coastal Resources Research and Development Institute and other organizations have conducted studies and policy development activities on ocean resources issues. Most of these efforts have recommended increased state, commonwealth and territorial involvement in the development and management of these resources.

Technological advances facilitating ocean resources development and increasing conflicts between ocean users necessitate an improvement of existing management mechanisms. An appropriate ocean governance scheme would emphasize shared management of ocean resources and uses between states, commonwealths and territories, and the federal government. To this end, in the reauthorized CZMA, Congress specifically recognized ocean planning and management as an objective to be implemented through state, commonwealth and territorial CZM programs.

Hawaii recommends the establishment of a non-federal task force to mount and coordinate a lobbying effort for increased jurisdiction. Such a cooperative effort would provide a broad base for enlisting Congressional support from coastal states, commonwealths and territories as well as inland states. The task force could develop a unified strategy, and members could use their respective organizations to press for Congressional action.

Support the work of the proposed Ocean Governance Study Group, which is an outgrowth of the Territorial Sea Workshop held January 1991 in Honolulu. This would be parallel to, but not substituting for, any Congressional or State legislative action.

A three-university consortium consisting of the University of Hawaii's Richardson School of Law, the University of California Law School (Boalt Hall),

and the University of Delaware's College of Marine Studies, is drafting the study group's work proposal. The Ocean Governance Study Group will be aided in its work by a policy committee and a group of academic consultants from the United States and other countries facing similar challenges in ocean governance. Recommendations and policy options, developed in consultation with the coastal states, regarding the territorial sea could emerge from this effort within the next few years.

PRECEPTS OF THE CZMA - A NEED FOR REAFFIRMATION

In response to the perceived degradation of the Nation's coastal areas, Congress enacted the Coastal Zone Management Act (CZMA) in 1972. In doing so, the Congress emphasized that the most rational and effective way to manage the coastal areas was through state, commonwealth, and territorial initiatives, since land and territorial sea uses are matters of state, commonwealth, and territorial discretion. As a result, the design of the CZMA was predicated on the notions of state, commonwealth, and territorial rights, self-determination and voluntary participation. Congress also assured that the national interests would be met by requiring participating states, commonwealths, and territories to incorporate these interests into the state programs as a prerequisite for federal approval. Congress intended for the national program to be a partnership not only between the federal government and the states, commonwealths, and territories, but also among the states, commonwealths, and territories themselves. In this way, the CZMA has been the model for intergovernmental relations in which the federal government supports and assists the states, commonwealths, and territories in carrying out their programs.

Recently, the federal administration has apparently diverted from the principles that originally united the states, commonwealths, and territories in the national CZM program. Although there has been no statutory change to the partnership concept, the federal proposal to institute competition in CZM threatens the very foundation of the program and has engendered a serious dispute over the roles and responsibilities of the federal government and the states, commonwealths, and territories. Federal emphasis has shifted away from respect of the values and needs of the individual programs, and toward centralized value determination and priority setting. This shift in management principles has created a serious philosophical conflict that could likely lead to the demise of the partnership concept of the CZMA.

The need to reaffirm the principles of the CZMA is extremely important to the American Flag Pacific Islands. As the center for world trade and economic growth shifts to the Pacific, the Pacific Islands must respond in a manner that will assure continued cultural, environmental, economic, social, and political harmony. Increasing development and population pressures are

leading to competition and conflict over the use of limited natural resources. In response, the Pacific Islanders are earnestly attempting to plan their preferred futures, as demonstrated at the 1991 Pacific Basin CZM Conference in American Samoa. We are committed to the awesome challenge of guiding, rather than falling victim to, the changes in the Pacific. We know that accountability for the consequences of action or inaction rests with us. Therefore, structuring our programs based on our own values and needs is critical.

Effective coastal and ocean resources management must consider the historical, cultural, economic, political and environmental contexts of each state, commonwealth, or territory, as well as broader national goals. In 1989, Hawaii sponsored a conference to explore the implications of these issues. The conference helped identify mutual interests and concerns among the Pacific Islands and improve communication and assistance among the Island CZM programs. The sense of unity that emerged from the conference continues today. The ensuing framework for collaboration has enabled Pacific Islanders to discuss and resolve issues of mutual concern, share relevant information about coastal and ocean resource management, and address federal initiatives with a unified voice.

Hawaii continues to develop partnership principles and practices in our CZM initiatives. We seek to foster coordination among our state network agencies. We cooperate with our Pacific neighbors in addressing issues of unique regional concern. We are also working with Congress and federal agencies to demonstrate our willingness and ability to manage our coastal and ocean resources, even beyond the U.S. territorial sea. For example, see the attached *Cooperative Agreement Between the Department of Interior and the State of Hawaii for Marine Minerals Joint Planning and Review*. As we deal with the continuing pressures of the new Pacific Era, we would like to further develop our partnership with the federal government. However, this is only possible if federal commitment to the precepts of the CZMA is renewed. Such a reaffirmation of the CZMA principles would reinstate the program as the model of successful intergovernmental relations.

SECTION 309 - ENHANCEMENT GRANT PROGRAM

The new Section 309 of the Coastal Zone Management Act (CZMA) offers an excellent opportunity to advance national interests through state, commonwealth, and territorial Coastal Zone Management (CZM) initiatives. In concept, this Enhancement Grants Program is better than the previous significant improvement task requirement because it detracts less from the core program and it more explicitly allows for multi-year focus on one or two high priority resource management issues. In assessing and prioritizing each of eight coastal management objectives, and then formulating a strategy to guide program changes that support attainment of one or more of these objectives, the states, commonwealths, and territories can improve their CZM programs. Hawaii is concerned, however, that the proposed interstate competition to allocate program monies will significantly weaken the principles of partnership and self-determination espoused in the CZMA.

Allocating grants on a competitive basis implies the ability to objectively compare assessment and strategies for states, commonwealths and territories with geographical, cultural, environmental and political differences. The federal Office of Coastal Resource Management (OCRM) envisions the following criteria to rate the quality of strategies: 1) the scope and value of the proposed program changes in terms of improved resource management; 2) the technical merits of the strategies in terms of design and cost effectiveness; and 3) the likelihood of success, based on political climate, past performances and other factors.

Hawaii believes these criteria are entirely too subjective and cannot be equitably applied to the Pacific Islands. Why should OCRM, and not the states, commonwealths, and territories themselves, rate the value of the proposed program changes? Is "value" dependent on the benefits to the federal government or to the resources of the states, commonwealths and territories? Does "scope" mean bigger is better? Often, a small but specific program change can be more effective, politically-acceptable, and of greater value than a larger, broadly-defined modification.

How can the federal government objectively evaluate the technical merits of strategies developed to meet specific state, commonwealth and

territorial needs? Technologies designed to address coastal resource issues prevalent on the continental U.S. do not necessarily transfer to island environments. Likewise, technologies adopted for Pacific island environments may not be applicable on the mainland. Furthermore, cost effectiveness can vary according to geography and level of economic development.

Given the variability among the states, commonwealths and territories, how can ORCM reasonably compare these strategies in terms of likelihood of success? The strategies must incorporate individual states, commonwealth and territories' unique goals and objectives, and address particular challenges; therefore, the success of any program changes must be examined within the context of uncertainty. A more important consideration should be the willingness to recognize coastal problems, issues and opportunities, and quickly respond to them. Effective responses may necessarily involve some degree of risk. To think otherwise is to oversimplify the complexities of the socio-political environment in which resource management decisions are made.

OCRM's guidance for assessments and strategies indicates that the development and focus of the assessment will involve extensive consultation between each state, commonwealth and territory, and OCRM to reflect a balance between local and federal interests. Specifically, Section 309(d)(1) reads:

Within 12 months following the date of enactment of this section, and consistent with the notice and participation requirements established in section 317, the Secretary shall promulgate regulations concerning coastal zone enhancement grants that establish--(1) specific and detailed criteria that must be addressed by a coastal state (including the State's priority needs for improvement as identified by the Secretary after careful consultation with the State) as part of the State's development and implementation of coastal zone enhancement objectives.

We have no objection to OCRM defining how the section will be implemented, provided the guidance is consistent with the principles of the CZMA. However, we do not believe that the implementation of Section 309 as

currently proposed gives the states, commonwealths and territories adequate latitude to determine their own priority needs. The states, commonwealths and territories must be free to formulate their own programs, subject to OCRM evaluation to assure conformance with the enhancement objectives.

The CZMA was predicated on the belief that the states, commonwealths and territories are in the best position to manage their coastal resources. Expecting OCRM to understand the specific circumstances influencing the management of coastal resources in each locale is unrealistic. The states, commonwealths and territories should be able to determine their own needs and priorities, subject to OCRM review for conformance with national policies. Federally-established criteria for rating state, commonwealth and territorial strategies do not have the flexibility necessary to assure relevance to particular island environments. OCRM's method of evaluating and ranking grant proposals based on these criteria does not characterize a politically-acceptable and substantively-sound approach to improving the management of coastal resources.

In order for the Enhancement Grants Program to be successful, relevance and equity must be assured through flexible, but essential, statements of objectives. In addition, the competition that degenerates partnerships and produces fear, frustration, and anger must be removed from the funding allocation process. Further, with OCRM's guidance, states, commonwealths and territories must be free to determine their own priority needs for improving their individual CZM programs. Finally, adequate financial grants to the often under-staffed CZM network agencies must be awarded, since Section 309 does not provide funding for the personnel necessary to achieve program objectives. Within such a cooperative framework, we are prepared and willing to help design an enhancement program that can be mutually beneficial.

CZMA SECTION 6217: COASTAL NONPOINT POLLUTION CONTROL PROGRAM

Hawaii recognizes that nonpoint source (NPS) pollution is a significant factor in nearshore water degradation. Hawaii's coastal waters sustain sedimentation, nutrient-loading and other impacts from erosion, agricultural and urban runoff, and leachates. Section 6217 of the amended CZMA provides an important management tool to address these concerns.

Section 6217 requires each state with an approved CZM program to develop and submit for approval a coastal nonpoint pollution control program. The intent is to strengthen the links between federal and state CZM and water quality programs and to enhance state and local endeavors to manage land uses that impact coastal waters and habitats. Hawaii welcomes this opportunity to improve the quality of the nearshore environment in an integrated and collaborative manner.

The coastal waters mean many things to our multi-cultural society. The ocean continues to provide food, recreation, and open space for residents and visitors alike, while our clean water and fresh air make us one of the healthiest states in the country. Obviously, Hawaii's economy is intricately linked to its surrounding ocean. The tourism industry, the State's economic mainstay, is almost entirely dependent on excellent water quality and a healthy environment. Aquaculture, commercial and recreational fisheries, and marine education and research also depend on sustained water quality. Further degradation of this water quality would likely have a devastating impact on our visitor industry and economy in general. Clearly, Hawaii must adopt effective management measures to prevent further deterioration of this important resource by nonpoint sources of pollution.

Such management measures, however, must incorporate factors related to Hawaii's unique setting. Hawaii and the other American Flag Pacific Islands differ from the mainland coastal states in terms of climate, geomorphology, natural environment, geography, political history, and demographics. Areas of the Big Island of Hawaii, for example, are underlaid with intricate networks of lava tubes that transport groundwater, along with any pollutants that have leached through the porous lava rock, great

distances to the ocean. To cite another example, because of the perennial growing season, herbicides and pesticides are used throughout the year, and some streams on Oahu exhibit consistently high levels of these substances.

These types of differences pose unique NPS pollution challenges and require innovative management solutions. State coastal nonpoint pollution control programs must implement enforceable management measures that are in conformity with the EPA/NOAA guidance and are established under state, commonwealth or territorial law. Hawaii is concerned that the federal guidance may not grant states, commonwealths and territories adequate flexibility to implement management measures that address their individual situations.

A nonpoint pollution control program will present additional challenges to the agencies tasked with its implementation. In Hawaii, these county agencies are already stretching their staff and financial resources to undertake current enforcement responsibilities. The agencies will be hard-pressed to take on additional programmatic responsibilities without supplemental CZM grants. Adequate Congressional funding must accompany new program requirements. We look forward to overcoming these challenges in order to benefit the quality of Hawaii's nearshore environment.

COASTAL AMERICA

Coastal America has been hailed as a federal initiative promoting cooperative federal agency partnerships in order to improve current response to known coastal problems and management issues. The Department of Interior, Environmental Protection Agency, Army Corps of Engineers, and National Oceanic and Atmospheric Administration are involved; the President's Council on Environmental Quality is helping to coordinate the effort. Because Coastal America is essentially predicated on the substantive CZMA goals, a focus on federal responsibilities and activities that would complement the CZMA and state, commonwealth, and territorial efforts in coastal management would be appropriate.

Hawaii supports the goals of the program, but raises concerns about aspects of its implementation. First, Hawaii believes that implementation of the program is inconsistent with the CZMA principles of promoting state/federal partnerships and self-determination. Many of the programs being touted as part of Coastal America were developed without consultation with the states, commonwealths or territories. Indeed, some of the projects under the program were proposed before the idea of Coastal America emerged. Moreover, the process of consultation with states, commonwealths and territories in the further development of the program has been poor. Further, fiscal leveraging to encourage coastal states, commonwealths and territories to carry out federal interests and priorities that may not coincide with local values, priorities and needs does not uphold CZMA principles. The federal administration's standing with the community should not be enhanced at the expense of the state, commonwealth, and territorial CZM programs.

Secondly, there is concern that funding for Coastal America is in competition with the base funding for CZMA Section 306 programs. A probable situation could emerge in which a state, commonwealth or territorial CZM program would have to abandon a Coastal America opportunity in order to concentrate on a necessary local initiative. Existing state, commonwealth, and territorial CZM programs should not be jeopardized in favor of a new federal initiative with a remote perspective.

Last but not least, we are troubled by the exclusion of island representation on the Southwest regional implementation team, composed of California and the American Flag Pacific Islands. We are not convinced that non-islanders can adequately represent our values, needs, and perspectives.

Hawaii recommends that the Coastal America program be redesigned to further embody the principles of the CZMA. The program should look beyond funding local activities, to broader goals of developing a cooperative federal partnership that assists states, commonwealths, and territories in their coastal affairs. Cooperation should be emphasized, and states, commonwealths and territories must be given flexibility to help design programs relevant to local values, cultures and needs. Monies that supplement existing Section 306 funding will signal federal commitment to the concept of joint partnership. Within this conceptual framework, Hawaii is prepared and willing to work with the federal administration in developing the Coastal America program.

ATTACHMENT

COOPERATIVE AGREEMENT
BETWEEN THE
DEPARTMENT OF THE INTERIOR
AND THE
STATE OF HAWAII
FOR
MARINE MINERALS JOINT PLANNING AND REVIEW

I. Background

The Department of the Interior (DOI) and the State of Hawaii established a task force in January 1984 to study the feasibility and environmental impacts of developing the cobalt-rich manganese crusts on submerged lands offshore Hawaii and Johnston Island.

Under the guidance of the task force, the State of Hawaii under DOI contract completed a preliminary resource assessment and a draft Environmental Impact Statement (EIS) for leasing manganese crust resources. The public comment period on the draft EIS closed in February 1988 and the final EIS is expected to be completed in January 1989.

Building on this cooperative effort, the State of Hawaii and the DOI agree to an approach to promote future State-Federal consultation, planning, and coordination on marine minerals matters to ensure that the State of Hawaii's concerns are fully addressed and national and State interests are served.

This agreement is intended to lead to an effective form of joint management between the State and the DOI in the development and implementation of future manganese crust exploration, leasing, and mining programs. It will also involve the State in technical aspects of all future activities relating to exploration and development of the offshore cobalt-rich manganese crust deposits.

II. Marine Minerals Joint Planning Arrangement

The State of Hawaii and the DOI agree to the following arrangement for joint planning, review, and management of Exclusive Economic Zone (EEZ) marine minerals matters of mutual interest. Establishment of this working arrangement shall in no way diminish any authority of either the Governor or the Secretary of the Interior, nor is it viewed by the State of Hawaii as a substitute for eventual stand-alone marine mining legislation

by Congress which would provide to the States not only joint management but also revenue sharing. Thus, the intent of this working arrangement is to facilitate effective cooperation and resolve issues related to EEZ mining in the interim.

A. Title

Hawaii Marine Minerals Joint Planning Arrangement (JPA).

B. Structure and Membership

1. Two committees will comprise the JPA:

- The Cooperative Steering Committee (CSC) will prepare joint plans, resolve issues, and work directly with DOI and State decisionmakers on programs and policy issues. The chairmanship of the CSC will rotate annually between State and Federal members.
- The Coordination Committee (CC) will coordinate project activities as well as provide technical support for the CSC on tasks herein described. This committee would be cochaired by a State member as designated by the Governor and a DOI Minerals Management Service (MMS) member as designated by the Director of MMS.

2. CSC Membership

- State of Hawaii (designated by the Governor)
- U.S. DOI (designated by the Secretary)
- The two Cochairs of the Coordination Committee

3. CC Membership

OFFICIAL:

- State of Hawaii, Department of Business and Economic Development (cochair)
- MMS, Pacific OCS Region (cochair)
- MMS, Office of Strategic and International Minerals
- U.S. Geological Survey
- U.S. Fish and Wildlife Service
- U.S. Bureau of Mines

- Hawaii Office of State Planning
- Hawaii Department of Land and Natural Resources
- Hawaii Department of Health
- University of Hawaii

EX OFFICIO:

- Candidates for ex officio membership will be selected from State, Federal, and private sectors as necessary to ensure that the many interests in the region have the opportunity to participate. "Advisors" to the current task force would all be candidates for ex-officio membership.

CC STAFF SUPPORT:

- Staff to fulfill this role is to be nominated by the State and concurred in by both committees of the JPA.

III. Objectives

To resolve EEZ marine mining issues of interest to the State of Hawaii and the DOI, to develop coordinated program and policy positions, to develop coordinated legislative and regulatory initiatives, and to oversee activities related to the leasing and development of mineral resources offshore of Hawaii and Johnston Island.

IV. Tasks

In furtherance of these objectives, but with the understanding that ultimate issues of jurisdiction remain to be resolved, and that this arrangement is subject to and in no way diminishes any authority of either the Governor or the Secretary of the Interior, the JPA will:

A. Action, Procedural Planning, and Review

1. Resolve issues regarding the size, timing, and location of any proposed lease sale.
2. Resolve issues regarding the appropriate terms, conditions, and stipulations for leasing.
3. Resolve issues regarding environmental problems and concerns.

4. Review exploration, development, and production plans and propose appropriate modifications after consultation with the concerned industrial group(s).
5. Participate in shipboard inspections and review violations, with inspections contracted to the State where feasible.

The resolution of issues within the JPA will be on a consensus basis.

B. Research and Study Needs

Identify, assess, and recommend research and studies dedicated to mineral resource evaluation and to the formulation of lease stipulations for environmental impact assessment and mitigation. Such formal JPA assessments and recommendations will be given a high priority in the formulation of MMS and State budgets and programmatic initiatives.

C. Site-specific EIS's and Environmental Assessments

Design, supervise and review all site-specific environmental assessments. Review and, where possible, resolve issues related to onshore impacts. Supervise and review any necessary environmental impact documentation to include consideration of mitigation measures.

D. Information Transfer and Public Education

Devise a public education program to inform State residents of developments in the marine mining program. This would include forums for the presentation of exploration, development, and production plans and discussions of alternative energy source options for onshore minerals processing. It would also include periodic public meetings to review coordinated activities and workshops and symposia to review the scope and results of studies.

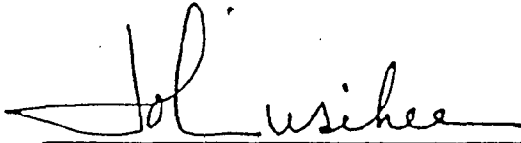
V. Funding and Staff Support

The MMS will provide necessary funding for staff support of the JPA. Each party will assume responsibility for salary and travel expenses of its members.


VI. Triannual Review and Dissolution Procedures

At the end of every 3-year period, the CSC will reassess the goals and objectives of the JPA and make recommendations to the Governor and the Secretary of the Interior concerning the need for its continuance.

Dissolution of the JPA may occur with 30 days' notice from the Governor or the Secretary of the Interior. The notice shall be provided to all JPA members and shall explain the reason for the decision.



GOVERNOR, STATE OF HAWAII



SECRETARY OF THE INTERIOR

December 28, 1988
DATE

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DATE

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